

FORM MR-TRC
RECLAMATION CONTRACT
(SMO - LMO transition)
(Revised April 17, 2001)

DOGM File Number M/027/081
Effective Date July 1, 2004
Other Agency File Number UTV-078819
UTV-079464-01

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
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 COMPLETED
NEW MRRC 060806
150

TRANSITIONAL RECLAMATION CONTRACT

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RECEIVED

JUN 28 2004

DIV. OF OIL, GAS & MINING

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)
(Mineral Mined)

M/027/081
BUILDING STONE

"MINE LOCATION":
(Name of Mine)
(Description)

TEJON QUARRIES
APPROXIMATELY 45 MILES
WEST OF DELTA, UTAH OFF
HIGHWAY 6

"DISTURBED AREA":
(Disturbed Acres)
(Legal Description)
(Topographic Map)

9.91 ACRES
(refer to "Attachment A")
("Attachment C", disturbed area boundary)

"OPERATOR":
(Company or Name)
(Address)

ROCANVILLE STONE
PO BOX 35
DELTA, UTAH 84624

(Phone)

435 864 5242 FAX 435 864 9023

"OPERATOR'S REGISTERED AGENT":
(Name)
(Address)

MERT W. HAMILTON
461 E. TOPAZ
DELTA, UTAH 84264

(Phone)

435 864 5242 FAX 435 864 9023

OPERATOR'S OFFICER(S)":

William Hodson Pres/Treas

"SURETY":

(Form of Surety - Attachment B)

\$ 23,595.00 \$ 8,105.00
CD CD

"SURETY COMPANY" (Name)

(Policy or Acct. No.)

WELLS FARGO BANK

"SURETY AMOUNT":

\$ 31,700.00

COMPLETED

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Rockville Stone the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division"). A Reclamation Contract is required under Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules.

WHEREAS, Operator has exceeded the approved five (5) acre threshold for a small mining operation, R647-3-113, and Operator desires to continue mining operations for an "interim" period of not more than 12 months, upon areas already disturbed totaling _____ acres. Within 90 days of the filing of this contract and reclamation surety, the operator agrees to file a complete Notice of Intention to Commence Large Mining Operations (Form MR-LMO) describing a detailed mining and reclamation plan for continued operations at this site. An approved Large Mining Notice of Intention must be in place at the end of a 12 month time period following Division receipt of this contract. Any extension of this filing time period will be in writing and at the sole discretion of the Division.

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division.

The approved form and amount of surety is attached hereto as Attachment B and made a part hereof. The surety shall remain in full force and effect according to its terms unless modified by the Division in writing. If the form of surety expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the surety, the Operator shall provide a replacement surety in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement surety, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.

3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules including but not limited to, the previously accepted Small Mining Notice, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies 1) that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, and the previously accepted Small Mining Notice, as amended, or 2) until a mining and reclamation plan for a large mining operation has been approved by the Division and the final Reclamation Contract and surety are in place.
6. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
7. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
8. This Contract shall be governed and construed in accordance with the laws of the State of Utah, and is in addition to any other rights and authorities the Division and Board have to seek relief from the Operator.
9. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.

10. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an Order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an Order to revoke the Small Mining Notice of Intention, order reclamation, or order forfeiture of the surety, or take such other action as is authorized by law.
11. In the event of forfeiture of the surety, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the surety, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
12. This Contract including the Small Mining Notice of Intention, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
13. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

ROCANVILLE GROVE
Operator Name

COMPLETED

By W.H. HUDSON
Authorized Officer (Typed or Printed)

PRESIDENT
Authorized Officer - Position

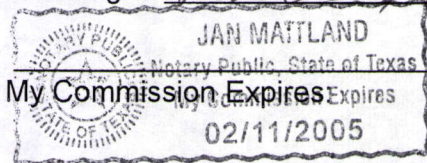
W.H. Hudson - President
Officer's Signature

24 June 04
Date

STATE OF Texas)
COUNTY OF Dallas) ss:

On the 24th day of June, 20 04, W.H. Hudson
personally appeared before me, who being by me duly sworn did say that he/she is the President
of Rocanville Corporation and duly
acknowledged that said instrument was signed on behalf of said company by authority of its
bylaws or a resolution of its board of directors and said W.H. Hudson
duly acknowledged to me that said company executed the same.

Jan Mattland
Notary Public
Residing at Red Oak, TX



DIVISION OF OIL, GAS AND MINING:

COMPLETED

By Lowell P. Braxton, Director

Date

STATE OF Utah)

COUNTY OF Salt Lake)

ss:

On the 1st day of July, 2004, Mary Ann Wright
personally appeared before me, who being duly sworn did say that he, the said
Mary Ann Wright is the Director of the Division of Oil,
Gas and Mining, Department of Natural Resources, State of Utah, and he duly acknowledged to
me that he executed the foregoing document by authority of law on behalf of the State of Utah.



Notary Public

Residing at:

April 4, 2005
My Commission Expires:

ATTACHMENT "A"

COMPLETED

ROCKVILLE STONE
Operator
11/02/087
Permit Number

TEJON QUARRIES
Mine Name
MILLARD County, Utah

LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.

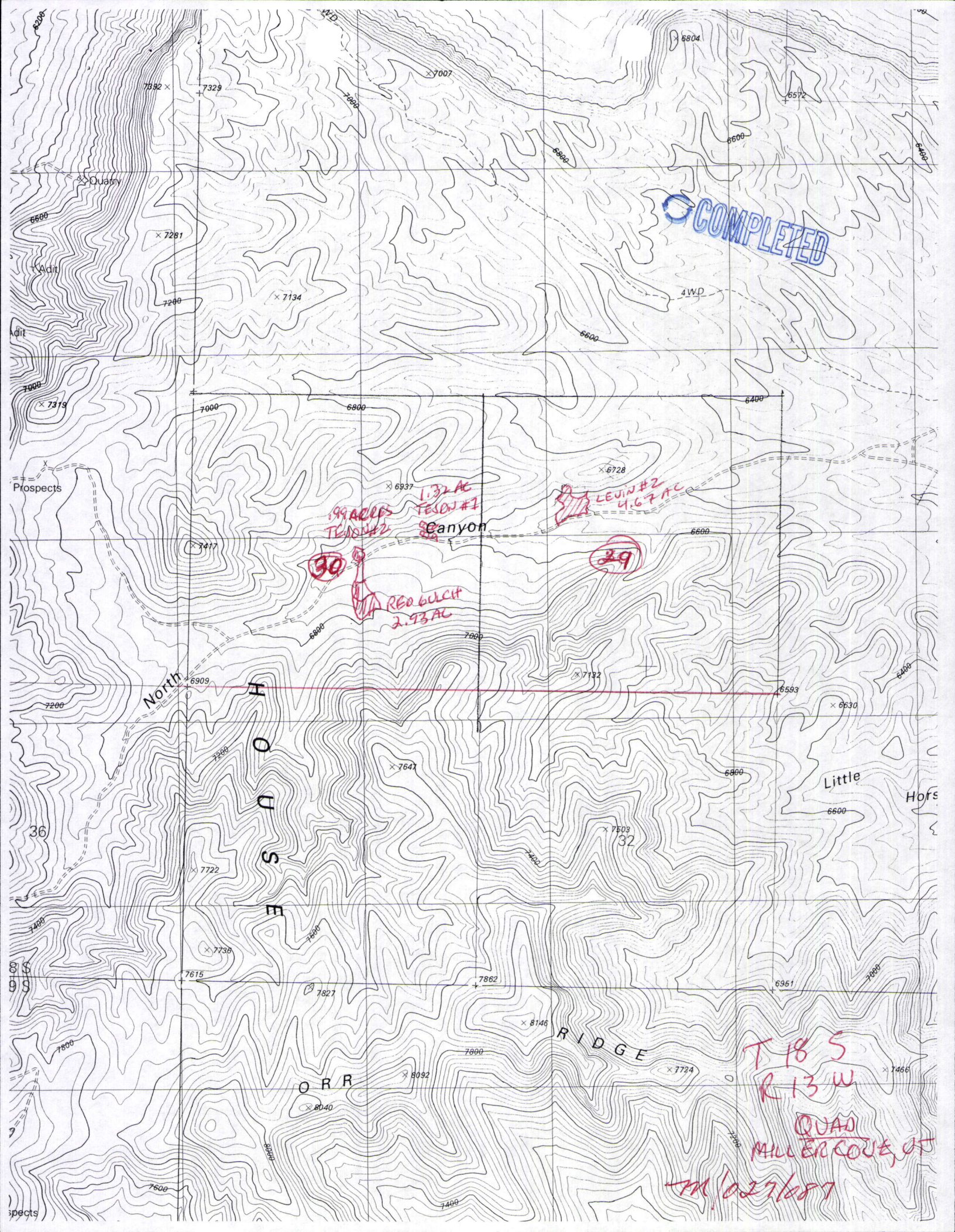
The detailed legal description of lands disturbed is:

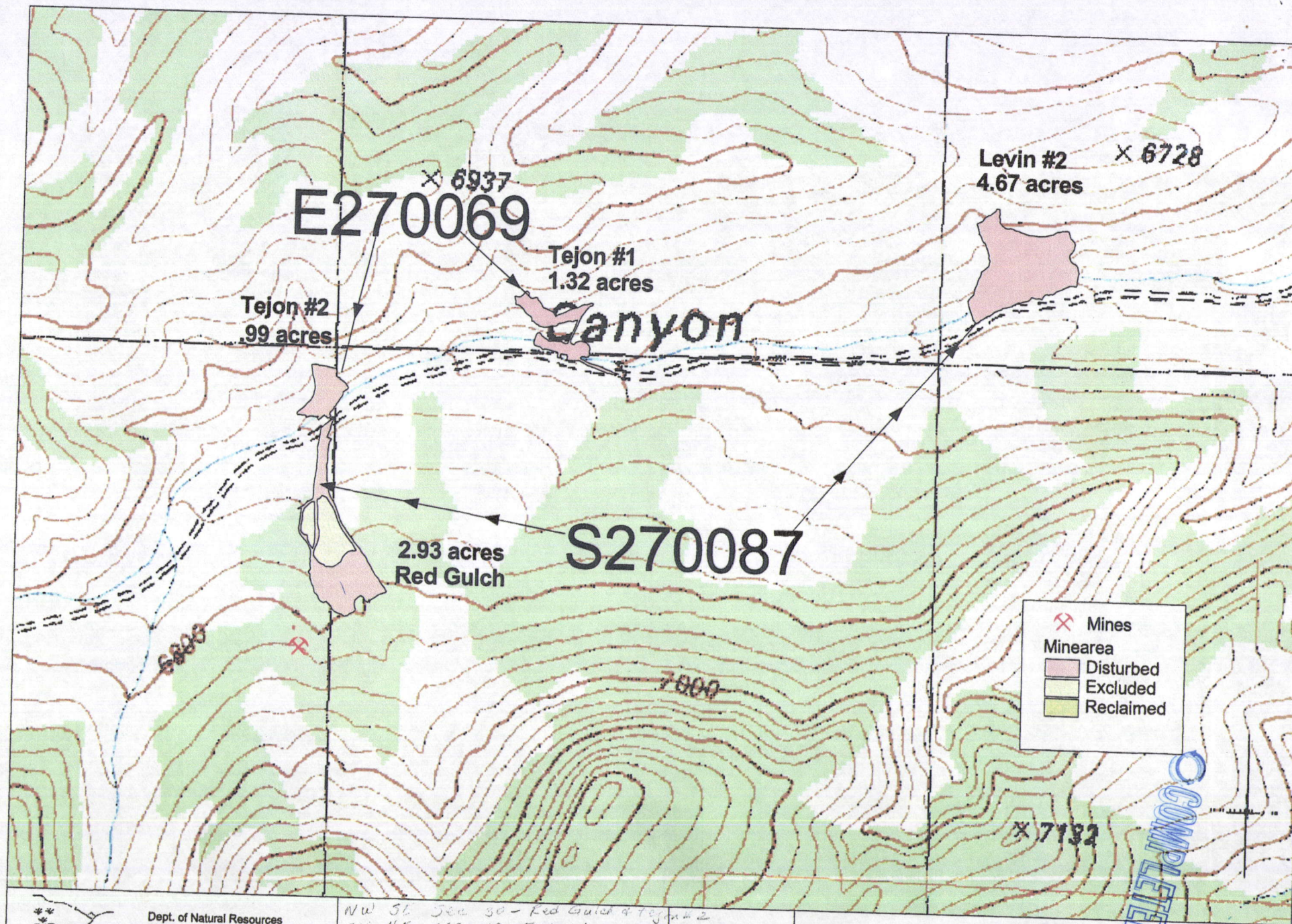
PORTIONS OF:

NW 1/4 SW 1/4 SECTION 30
S 1/2 NE 1/4 SECTION 30
S 1/2 NW 1/4 SECTION 29
TOWNSHIP 18 SOUTH, RANGE 13 WEST

Map A
Location Map
Portion of Miller Cove Quad.
1" = 2000'

Development to date (red)
Property boundary (orange)
Access road (yellow)





Dept. of Natural Resources
Division of Oil, Gas & Mining
Mineral Mines Program

Quad Sheet: Miller Cove Quadrangle Q2508

NW 3/4 Sec 30 - Red Gulch & Tejon #2
SE 3/4 NE 3/4 Sec 30 - Tejon #1

500 0 500 Feet

Scale 1:8000
Contour Interval 40 feet



Mine Number: S027/087 & E027/069
Mine Name: Levin Stone #2
Township 18 S Range 13 West Section 29 & 30

Drafted by TM

September 2000

Operator:

COMPLETED